

AMENDED IN ASSEMBLY APRIL 23, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 903

Introduced by Assembly Member Cristina Garcia

February 26, 2015

An act to amend ~~Section 17539.1~~ *Sections 19911 and 19921* of the Business and Professions Code, relating to ~~sweepstakes~~; *gaming*.

LEGISLATIVE COUNSEL'S DIGEST

AB 903, as amended, Cristina Garcia. ~~Unfair business practices: contests and sweepstakes. Gambling Control Act.~~

The Gambling Control Act provides for the licensure of certain individuals and establishments involved in various gambling activities, and for the regulation of those activities, by the California Gambling Control Commission. Existing law prohibits a person under 21 years of age from being eligible for a work permit in a gambling establishment. Existing law also prohibits a person under 21 years of age from entering the premises of a licensed gambling establishment, except as provided.

This bill would permit a person between 18 and 21 years of age to work in a gambling establishment in a classification that entails providing services on and off the gaming floor that are not involved in play of any controlled game, as specified.

~~Existing law generally regulates false advertising and specifically prohibits certain unfair acts or practices undertaken by, or omissions of, a person in the operation of a contest, including misrepresenting the odds of winning a prize or failing to award and distribute all prizes.~~

~~Existing law specifies that these provisions do not render unlawful or restrict otherwise lawful games and methods used by a gambling enterprise licensed under the Gambling Control Act or operations of the California State Lottery.~~

~~This bill would expand that exemption to include lawful technologies and software used by a gambling enterprise licensed under the Gambling Control Act or operations of the California State Lottery.~~

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 *SECTION 1. Section 19911 of the Business and Professions*
2 *Code is amended to read:*

3 19911. ~~No~~(a) A person under ~~the age of 21 years of age~~ shall
4 not be eligible for a work permit and ~~no~~ a permit shall not be issued
5 to a person under ~~the age of 21 years~~; 21 years of age.

6 (b) A person between 18 and 21 years of age may be employed
7 to work in a gambling establishment, provided that he or she shall
8 not work as a dealer, floor personnel, or any other employment
9 classification that exclusively involves working on the floor of the
10 gambling establishment. A person between 18 and 21 years of age
11 may be employed in job classifications that entail providing
12 services on and off the gaming floor that are not involved in play
13 of any controlled game.

14 SEC. 2. Section 19921 of the Business and Professions Code
15 is amended to read:

16 19921. (a) ~~No~~A person under 21 years of age shall not be
17 permitted to enter upon the premises of a licensed gambling
18 establishment, or any part thereof, except the following:

19 (1) An area, physically separated from any gambling area, for
20 the exclusive purpose of dining. For purposes of this subdivision,
21 any place wherein food or beverages are dispensed primarily by
22 vending machines shall not constitute a place for dining.

23 (2) Restrooms.

24 (3) A supervised room that is physically separated from any
25 gambling area and used primarily for the purpose of entertainment
26 or recreation.

27 (4) A designated pathway to reach any of the areas described
28 in paragraphs (1) to (3), inclusive. To the extent that the designated

1 pathway requires an individual to enter upon or pass through the
2 gaming floor, all persons under 21 years of age shall be
3 accompanied by a person over 21 years of age or be in the presence
4 of a gambling establishment employee over 21 years of age.

5 (5) *In accordance with subdivision (b) of Section 19911.*

6 (b) ~~No~~A person under 21 years of age shall *not* be permitted to
7 loiter in a gaming area.

8 ~~SECTION 1. Section 17539.1 of the Business and Professions~~
9 ~~Code is amended to read:~~

10 ~~17539.1. (a) The following unfair acts or practices undertaken~~
11 ~~by, or omissions of, any person in the operation of any contest or~~
12 ~~sweepstakes are prohibited:~~

13 ~~(1) Failing to clearly and conspicuously disclose, at the time of~~
14 ~~the initial contest solicitation, at the time of each precontest~~
15 ~~promotional solicitation, and each time the payment of money is~~
16 ~~required to become or to remain a contestant, the total number of~~
17 ~~contestants anticipated based on prior experience and the~~
18 ~~percentages of contestants correctly solving each puzzle used in~~
19 ~~the three most recently completed contests conducted by the person.~~
20 ~~If the person has not operated or promoted three contests he or she~~
21 ~~shall disclose for each prior contest, if any, the information required~~
22 ~~by this section.~~

23 ~~(2) Failing to promptly send to each member of the public, upon~~
24 ~~his or her request, the actual number and percentage of contestants~~
25 ~~correctly solving each puzzle or game in the contest most recently~~
26 ~~completed.~~

27 ~~(3) Misrepresenting in any manner the odds of winning any~~
28 ~~prize.~~

29 ~~(4) Misrepresenting in any manner, the rules, terms, or~~
30 ~~conditions of participation in a contest.~~

31 ~~(5) Failing to clearly and conspicuously disclose with all contest~~
32 ~~puzzles and games and with all promotional puzzles and games~~
33 ~~all of the following:~~

34 ~~(A) The maximum number of puzzles or games that may be~~
35 ~~necessary to complete the contest and determine winners.~~

36 ~~(B) The maximum amount of money, including the maximum~~
37 ~~cost of any postage and handling fees, that a participant may be~~
38 ~~asked to pay to win each of the contest prizes then offered.~~

39 ~~(C) That future puzzles or games, if any, or tie breakers, if any,~~
40 ~~will be significantly more difficult than the initial puzzle.~~

~~(D) The date or dates on or before which the contest will terminate and upon which all prizes will be awarded.~~

~~(E) The method of determining prizewinners if a tie remains after the last tie breaker puzzle is completed.~~

~~(F) All rules, regulations, terms, and conditions of the contest.~~

~~(6) Failing to clearly and conspicuously disclose the exact nature and approximate value of the prizes when offered.~~

~~(7) Failing to award and distribute all prizes of the value and type represented.~~

~~(8) Representing directly or by implication that the number of participants has been significantly limited, or that any particular person has been selected to win a prize unless such is the fact.~~

~~(9) Representing directly or by implication that any particular person has won any money, prize, thing, or other value in a contest unless there has been a real contest in which a meaningful percentage, which shall be at least a majority, of the participants in such contests have failed to win a prize, money, thing, or other value.~~

~~(10) Representing directly or by implication that any particular person has won any money, prize, thing, or other value without disclosing the exact nature and approximate value thereof.~~

~~(11) Using the word “lucky” to describe any number, ticket, coupon, symbol, or other entry, or representing in any other manner directly or by implication that any number, ticket, coupon, symbol, or other entry confers or will confer an advantage upon the recipient that other recipients will not have, that the recipient is more likely to win a prize than are others, or that the number, ticket, coupon, symbol, or other entry has some value that other entries do not have.~~

~~(12) Using or offering for use any method intended to be used by a person interacting with an electronic video monitor to simulate gambling or play gambling-themed games in a business establishment that (A) directly or indirectly implements the predetermination of sweepstakes cash, cash-equivalent prizes, or other prizes of value, or (B) otherwise connects a sweepstakes player or participant with sweepstakes cash, cash-equivalent prizes, or other prizes of value. For the purposes of this paragraph, “business establishment” means a business that has any financial interest in the conduct of the sweepstakes or the sale of the products or services being promoted by the sweepstakes at its physical~~

1 location. This paragraph does not make unlawful game promotions
2 or sweepstakes conducted by for-profit commercial entities on a
3 limited and occasional basis as an advertising and marketing tool
4 that are incidental to substantial bona fide sales of consumer
5 products or services and that are not intended to provide a vehicle
6 for the establishment of places of ongoing gambling or gaming.

7 (13) ~~Failing to obtain the express written or oral consent of~~
8 ~~individuals before their names are used for a promotional purpose~~
9 ~~in connection with a mailing to a third person.~~

10 (14) ~~Using or distributing simulated checks, currency, or any~~
11 ~~simulated item of value unless there is clearly and conspicuously~~
12 ~~printed thereon the words: SPECIMEN—NONNEGOTIABLE.~~

13 (15) ~~Representing, directly or by implication, orally or in~~
14 ~~writing, that any tie breaker puzzle may be entered upon the~~
15 ~~payment of money qualifying the contestant for an extra cash or~~
16 ~~any other type of prize or prizes unless:~~

17 (A) ~~It is clearly and conspicuously disclosed that the payments~~
18 ~~are optional and that contestants are not required to pay money,~~
19 ~~except for reasonable postage and handling fees, to play for an~~
20 ~~extra cash or any other type of prize or prizes; and~~

21 (B) ~~Contestants are clearly and conspicuously given the~~
22 ~~opportunity to indicate they wish to enter such phase of the contest~~
23 ~~for free, except for reasonable postage and handling fees the~~
24 ~~amount of which shall not exceed one dollar and fifty cents (\$1.50)~~
25 ~~plus the actual cost of postage and which shall be clearly and~~
26 ~~conspicuously disclosed at the time of the initial contest solicitation~~
27 ~~and each time thereafter that the payment of such fees is required.~~
28 ~~The contestants' opportunity to indicate they wish to enter for free~~
29 ~~shall be in immediate conjunction with and in a like manner as the~~
30 ~~contestants' opportunity to indicate they wish to play for an extra~~
31 ~~prize.~~

32 (b) ~~For the purposes of this section, "sweepstakes" means a~~
33 ~~procedure, activity, or event, for the distribution, donation, or sale~~
34 ~~of anything of value by lot, chance, predetermined selection, or~~
35 ~~random selection that is not unlawful under other provisions of~~
36 ~~law, including, but not limited to, Chapter 9 (commencing with~~
37 ~~Section 319) and Chapter 10 (commencing with Section 330) of~~
38 ~~Title 9 of Part 1 of the Penal Code.~~

1 ~~(e) This section does not apply to an advertising plan or program~~
2 ~~that is regulated by, and complies with, the requirements of Section~~
3 ~~17537.1.~~

4 ~~(d) Nothing in this section shall be deemed to render lawful any~~
5 ~~activity that is unlawful pursuant to other law, including, but not~~
6 ~~limited to, Section 320, 330a, 330b, 330.1, or 337j of the Penal~~
7 ~~Code.~~

8 ~~(e) Nothing in this section shall be deemed to render unlawful~~
9 ~~or restrict otherwise lawful games, technologies, software, and~~
10 ~~methods used by a gambling enterprise licensed under the~~
11 ~~Gambling Control Act or operations of the California State Lottery.~~